

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

No. 1745

Washington, D. C.

August 29, 1959

### Interstate Income Tax Bill Goes to Conference

The House, on August 25, voted to amend the Senate-passed bill, S. 2524, by substituting its own bill, H. J. Res. 450. The bill (still identified as S. 2524) was then passed by the House and sent to the Senate which refused to accept it and requested a conference.

A conference has been scheduled tentatively for Monday, August 31. Senate conferees will be: Byrd (Va.), Kerr, Frear, Williams (Del.), and Carlson. The House will be represented by Celler, Walter, Willis, McCulloch, and Miller (N. Y.).

The bill would prevent states or political subdivisions, under certain conditions, from imposing a net income tax on income derived from interstate commerce.

### Crew Leader Licensing Urged

Senator Javits (N.Y.) told a special Senate Subcommittee on Migratory Labor at a public hearing, August 26, that legislation to require federal licensing of crew leaders should be passed at this session of the Congress, if at all possible.

Javits is the principal sponsor of S. 1778, the "Crew Leader Registration Act of 1959," which he introduced at the request of the Secretary of Labor. A similar bill, S. 2498, has been introduced by the subcommittee chairman, Senator Williams (N.J.), who expressed interest in Senator Javits' suggestion for Congressional action this year.

Other Senators who testified at the August 26 hearing were Clark (Pa.), McNamara (Mich.), McCarthy (Minn.), and Keating (N. Y.). All are sponsors or co-sponsors of one or more of the four bills pending before the subcommittee. The two other bills, both sponsored by Senator McNamara, are:

S. 1085, to extend the wage-hour law to farm employers using more than 2,244 man-days of hired farm labor each year, and

S. 2141, to eliminate the child labor exemption which permits the employment on farms of minors under 16.

Plans for future hearings have not been announced.

### Canned Foods Out-of-Stock Condition Shown Costly To Stores in Concluding Report of C.&T.R. Philadelphia Project Series

Publication and distribution of the *Canned Foods; Retail Out-of-Stock Study* (Philadelphia Project Report No. 7) this week concludes the series of retail studies begun in 1955 as part of the N.C.A. Consumer and Trade Relations Program. The C.&T.R. Committee decided at its May meeting this year that findings from these studies and other available canned food marketing reports will be used in information and publicity, but that field work is to be discontinued and that N.C.A. would not engage directly in marketing studies under the C.&T.R. banner.

The American Stores Company, which loaned its facilities as a laboratory for the studies, has described them as "a significant contribution to the science of food retailing."

In reporting highlights of the *Out-of-Stock Study* to the trade press, in an August 21 release, Dudley-Anderson-Yutzky, the N.C.A. public relations counsel on this project, stated that a

typical supermarket loses in the neighborhood of \$3,000 a year in canned food sales when out of stock. The studies were based on findings of a 12-week period (June through August, 1957), in 12 Acme supermarkets in the Philadelphia-New Jersey area.

The report makes the following summary of findings:

An average of 3.2 percent, or, about 23 of the 708 canned food items stocked, were found to be out-of-stock on the shelf each day in each supermarket.

The most serious out-of-stock conditions were found in the canned fish and canned meat and poultry groups. On the average more than 5 percent or 5 of the 98 items in these groups were out-of-stock each day in each supermarket.

The lowest incidence of out-of-stock was recorded for canned milk items—0.8 percent of all items on the average. Canned dietetic foods and canned specialties also showed a low incidence of out-of-stock, 2.3 percent and 2.4 percent on the average, respectively.

Canned juices, which produced the third highest out-of-stock average, had the highest proportion of items in "low stock" (less than 6 cans on the shelf). Twelve percent, or about 10 of the 77 canned juice items were in low stock.

For canned foods as a whole, Friday was the day of the week with the lowest percentage of items out-of-stock (2.4 percent) followed by Thursday with 3.0 percent. Monday, Tuesday, Wednesday, and Saturday all showed an average of 3.3 percent out-of-stock.

Corrective measures suggested are:

Increased efficiency at the store level in ordering in stocks and keeping adequate supplies on the shelf.

Increased efficiency at the warehouse level in processing orders and delivering merchandise to stores.

Increased attention by management to the determination of adequate store inventory levels.

Increased control over shelf stocks through periodic shelf audits by management.

As was the case in the preceding six Philadelphia Project reports, the

### Steel Inventory Tonnages Show No Current Shortage

Representatives of the American Steel Warehouse Association and Association of Steel Distributors, Inc. met with the Iron and Steel Division of the Business and Defense Services Administration, U. S. Department of Commerce, August 24 and reported on the inventory tonnages in steel warehouses.

They stated that present inventory of approximately 3,125,000 net tons, although not on a strictly comparable item basis, is 20 percent higher than the total on hand in warehouses when the 1956 strike started. At that time inventories of plates and structurals were much lower due to short supply.

They said that country-wide sampling reports indicate no item shortage, although some substitutions of sizes within the same gauge have occurred.

The reduction of steel inventories in warehouses has been at the rate of 150,000 tons per week since August 1 until the week ending August 22, when it was 175,000 tons.

field work was performed by an employee of N.C.A. operating full-time in the stores. His tabulations were analyzed by Dr. H. L. Stier, Director of the N.C.A. Division of Statistics, and drafted into a research report. This was submitted to the C&T.R. operating staff committee (composed of N.C.A.-D-A-Y staff members) and then to the C&T.R. Technical Subcommittee. The next operation was preparation by the D-A-Y staff of a popular version report for distribution to N.C.A. members and store managers. Following approval of this draft by the operating staff and the subcommittee, the report went into printing and distribution stages.

The total list of Philadelphia Project reports follows:

*Retail Sales Analysis for Canned Vegetables*, Report No. 1, 1956.

*Multiple Packaging Test for Canned Corn*, Report No. 2, 1956.

*Seasonal Patterns in Retail Sales of Canned Foods*, Report No. 3, 1957.

*Retail Sales Analysis of Canned Fruits and Juices*, Report No. 4, 1958.

*Seasonal Patterns in Retail Sales of Canned Foods*, Report No. 5, 1958.

*Multiple Packaging Tests With Canned Foods*, Report No. 6, 1959.

*Canned Foods; Retail Out-of-Stock Study*, Report No. 7, 1959.

### True Story

Esther Foley, home service director, features canned beef stew in the article "How to dodge the gravy problem!" in the September issue of *True Story* magazine.

Miss Foley begins, "If the gravy is good, the stew is good! A good gravy? One smooth as cream, rich brown in color. It will have a fragrance that suggests many mingled flavors. And it must be plentiful. If gravy making is a problem, try this: Buy a one-and-a-half pound can of beef stew, open it, and sniff. Here is the gravy you want—not too heavy to serve as it is, but heavy enough to stand a little thinning. Read the label. This sauce is well and carefully seasoned." A recipe is given for a stew made by combining a one-and-a-half pound can of beef stew with a pound of stew meat to serve five. The author also tells how to make a quick and easy meat pie from the stew.

Two additional recipes using canned beef stew, Beef Stew Casserole and Noodles and Stew Casserole, were submitted by *True Story* readers. A large color photograph and two small black and white photographs attractively show the beef stew dishes.

### The Southern Planter

The August issue of *The Southern Planter* devotes the food section to Salads for Summertime Suppers. Food Editor Mavis M. Gibbs illustrates the section with photographs of two salad platters. Each features canned foods.

The first salad platter shown is that of a Deviled Ham Summer Mold in which vegetable juice cocktail, deviled ham and ripe olives are used. The mold is surrounded with bundles of cold canned asparagus with mayonnaise and pimiento strips. The second photograph is of Fruit and Cheese Twin Salads. Included are canned light sweet cherries and orange and grapefruit sections.

Recipes are given for the salads. Another salad used in the article is Peach Bon Bon Salad which calls for canned peaches.

*The Southern Planter* is a farm paper distributed in seven Southern states. It has a circulation of approximately 420,000.

### Woman's Day

In the August issue of *Woman's Day* magazine canned corn is featured in the article entitled "Corn." Appearing with the feature is "The Collector's Cook Book #31 . . . Corn" prepared by the *Woman's Day* Kitchen. Canned whole kernel corn and cream style corn appear in the recipes a number of times as well as a large variety of other canned foods.

The article begins, "Americans everywhere put corn high on their list of favorite vegetables. Wise cooks who know this serve corn in dozens of different ways: by itself, on or off the cob, in casseroles, creamed dishes, soups, chowders and breads. In this month's Collector's Cook Book you'll find 50 recipes featuring this versatile vegetable, fresh, canned or frozen."

Other canned foods used in the recipes in "The Collector's Cook Book" include canned chicken rice soup, tomatoes, minced clams, lobster, mushrooms, condensed cream of mushroom soup, pimientos, onions, tomato sauce, shrimp, crab meat, condensed cream of celery soup, chili sauce, ripe olives, and cut green beans.

### Canned Pepper Standard

The Food and Drug Administration published in the *Federal Register* of August 27 an order amending the standard of identity for canned peppers to permit the addition of calcium salts with appropriate label declaration. Text of the proposal was published in the *INFORMATION LETTER* of July 4, page 228.

The order will be effective 60 days from the date of publication in the *Federal Register* unless objections are filed.

### Shipments of Glass Containers

Shipments of glass containers for food during the first six months of 1959 have been reported by the Bureau of the Census, U. S. Department of Commerce.

	Jan.-June 1958	1959
	(thousands of gross)	
Wide-mouth food (including fruit jars and jelly glasses)	10,273	20,270
Narrow-neck food	6,263	7,358

### Shipments of Metal Cans

Shipments of metal cans for food during the first six months of 1959 have been reported by the Bureau of the Census, U. S. Department of Commerce.

	Jan.-June 1958	1959
	(short tons of steel)	
Fruit and vegetable (including juices)	539,032	548,814
Fish and seafood	47,212	53,800
Meat (including poultry)	65,934	70,826

### MSSA Requirements for Chili Sauce, Lima Beans

Tentative requirements for chili sauce and canned lima beans from the 1959 pack to meet the needs of the armed services have been announced by the Military Subsistence Supply Agency.

Procurement of chili sauce will be made by Headquarters, Oakland Region, MSSA, 2155 Webster St., Alameda, Calif.

Procurement of canned lima beans will be made by Headquarters, Richmond Region, MSSA, 1722 Arlington Rd., Richmond 30, Va.

Item	Grade	Type	Container Size	Quantity (pounds)	Quantity (cases)
Chili sauce	A (Fancy)		12-oz. bottle	1,492,000	165,778
Lima beans	A (Fancy) or B (Ext. Std.)	Type I(a) or (b)	6/10 24/303	3,110,000 3,741,000	78,634 155,673

## New Member of N.C.A. Staff

Edward M. Rider has been appointed to the N.C.A. staff to assist in the public relations programs of the Information Division and with the Association's legislative work.

For the past four years, Mr. Rider has been employed by the National Association of Margarine Manufacturers. Previously, he served as information specialist for the Maryland State Soil Conservation Committee and, in 1948, was publicity director for the one-day "face-lifting" of a Frederick County farm which attracted 40,000 spectators and received nationwide news coverage.

A graduate of the University of Maryland, Mr. Rider is a former president of the College of Arts and Sciences Alumni Association and has served on the University's General Alumni Council. He is a member of the Board of Trustees of West Nottingham Academy, Coloma, Md., of which he is an alumnus.

He is also a member of the National Press Club, National Association Executives Club, Washington Trade Association Executives, and Food Group.

## Progress on Retort Survey

With 161 surveys completed in canneries located in 26 states, the N.C.A. Research Laboratories report good progress in the program of checking retort installations and operation in plants canning low-acid foods. Thirty-two inspection teams are in operation, not devoting full time to the survey, but fitting the work into their regular schedules. The Laboratories hope to complete the work in two or three seasons.

The surveys are under the direction of the N.C.A. Committee on Retort Equipment and Operation, and are being conducted by technical personnel from can companies, suppliers, and the N.C.A. Laboratories.

## Canners Technicians Schools

The N.C.A. helped direct the two annual canners technicians schools in Indiana and New York, during July and August.

The Midwest canners technicians school, co-sponsored by the N.C.A., Indiana Canners Association, and Purdue University, was conducted at Purdue. The Howard mold count method was taught to 68 students representing 29 companies in Indiana, Ohio, Michigan, Illinois, Kentucky, and Colorado, July 6-17. Thirty-six

students representing 21 companies in Indiana, Ohio, Illinois, Michigan, Kentucky, and Arkansas were instructed in the identification of extraneous materials, July 20-24.

The New York State school, co-sponsored by the N.C.A. and the New York State Canners and Freezers Association was held at the New York Agricultural Experiment Station, Geneva, July 29-August 7, and dealt with mold counting techniques. Sixteen students representing 11 companies in New York and Pennsylvania attended.

Instructors were Earl Richardson and Miss Lucy Witherow of the Washington Research Laboratory of the N.C.A. along with personnel from Continental Can Company, Heekin Can Company, Purdue University, and the Food and Drug Administration.

## Status of Legislation

**Agricultural Policy Commission—**S. 2395 (Stennis) and H. R. 8335 (McIntire), to authorize such a study group, are pending in the Agriculture Committees.

**Agricultural trade development (P. L. 480)—**H. R. 8609, with amendments, was passed by the House on Aug. 20. S. 1748 was brought up for debate in the Senate on Aug. 20 but action was postponed pending consideration by the Senate Agriculture Committee of amendments offered from the floor. On Aug. 25, the Committee agreed to report amendments incorporating the provisions of S. 1711, the Food for Peace Act.

**Antitrust enforcement—**S. 716, to authorize the Attorney General to compel the production of documentary evidence for enforcement of the antitrust laws, was passed by the Senate July 29. The House Antitrust Subcommittee has agreed to defer action until 1960.

**Consumer expenditures—**H. R. 4420 (Zablocki), to authorize an FTC investigation of the farmer's share, is pending in House Commerce Committee.

**Co-op jurisdiction—**H. R. 200 (Mason), to transfer jurisdiction over pricing from USDA to Justice Dept., is pending in House Judiciary Committee.

**Co-op marketing—**S. 2014, to authorize associations of agricultural producers to own and operate marketing facilities, was the subject of hearings by the Senate Agriculture Committee on Aug. 13, 14, and 17.

**Countryside Life Commission—**Bills providing for the study were considered by House Agriculture Committee in May.

**Crew leader registration—**S. 1778 (Javits) and S. 2498 (Williams of N. J.) were the subject of hearings by a special Senate Subcommittee on Migratory Labor on Aug. 7 and 26. H. R. 5930 (Kearns) is pending in the House Labor Committee. N.C.A. opposes (see story on page 269).

**Fair trade—**H. R. 1253 was reported by House Commerce Committee June 10 and was the subject of a hearing Aug. 3 by the Rules Committee, which indicated further study to be needed. S. 1083 is pending in a Senate Commerce Subcommittee, which indicates no action this year.

**FDA artificial coloring—**H. R. 7624 is pending in House Commerce Committee. S. 2197, with amendments, was passed by the Senate on Aug. 24 and referred to the House Commerce Committee on Aug. 25.

**Federal pre-emption—**H. R. 3 was passed by the House June 24 and referred to Senate Judiciary Committee, whose Internal Security Subcommittee held hearings on S. 3 in April and May. N.C.A. opposes application to food laws.

**Food for peace—**S. 1711 (Humphrey) was passed over by the Senate on Aug. 19. The Senate Agriculture Committee, on Aug. 25, agreed to co-sponsor the provisions of this act as amendments to S. 1748 (agricultural trade development).

**Food stamps—**S. 2522 was reported by the Senate Agriculture Committee on Aug. 11 and was passed over on a calendar call by the Senate on Aug. 18. H. R. 1359, with amendments, was reported by the House Agriculture Committee on Aug. 15 and attached as an amendment to H. R. 8609 (agricultural trade development) which was passed by the House on Aug. 20.

**Foreign investment—**H. R. 5 (Boggs), to amend the Internal Revenue Code of 1954 to encourage private investment abroad, was approved tentatively on Aug. 19 by the House Ways and Means Committee which instructed its staff to draft an amended bill.

**FTC cease-and-desist orders—**H. R. 8841 (Steed) and similar bills to amend the Federal Trade Commission Act to provide for the issuance of temporary cease-and-desist orders to prevent certain acts and practices pending completion of FTC proceedings, were introduced on Aug. 26 and referred to the House Commerce Committee.

**Industrial uses—**S. 690, with amendments, was passed by the Senate on July 27. H. R. 8639, which would create an independent Agricultural Research and Development Commission, was reported by the House Agriculture Committee on Aug. 26 and referred to the Committee of the Whole House on the State of the Union.



**Intergovernmental relations**—H. R. 6904, with amendments, was passed by the House on Aug. 18. S. 2026, a similar bill, is on the Senate calendar.

**Labor-management practices**—Conferees met in executive session this week to resolve the differences between the Senate-passed (Kennedy) bill and the House-passed (Landrum-Griffin) bill.

**Marketing of potatoes**—S. 17 is pending in Senate Agriculture Committee.

**Marketing of poultry**—H. R. 1344 (Sisk) and S. 430 (Engle) and similar bills are pending in Agriculture Committees. N.C.A. opposes application to canning.

**Marketing orders and parity**—H. R. 642 is pending in House Agriculture Committee.

**Marketing order regions**—H. R. 1070 is pending in House Agriculture Committee.

**Premier notification**—S. 442 was approved by Senate Antitrust and Monopoly Subcommittee May 7 and is pending in Judiciary Committee. The House Antitrust Subcommittee has agreed to defer action until 1960.

**Price increases—advance notices**—S. 215 (O'Mahoney) was the subject of hearings by the Senate Antitrust and Monopoly Subcommittee in May. H. R. 4934 (McGovern) is pending in House Judiciary Committee.

**Price increases—public hearings**—H. R. 6263 (Reuss) was reported by House Government Operations Committee June 12. S. 2382 is pending in Senate Banking Committee.

**Raw product bargaining**—H. R. 1793 (Bow) is pending in House Judiciary Committee.

**Robinson-Patman functional discounts**—H. R. 4530 was the subject of hearings by the House Antitrust Subcommittee in June.

**Robinson-Patman good faith defense**—S. 11 was approved by the Senate Antitrust and Monopoly Subcommittee May 7 and is pending in the Judiciary Committee. H. R. 11 is pending in House Judiciary Committee. N.C.A. opposes.

**State taxation of interstate commerce**—S. 2524, with amendments, was passed by the Senate on Aug. 20 and by the House on Aug. 25 (after the House had voted to amend it by substituting its own bill, H. J. Res. 450). The Senate requested a conference on Aug. 27 (see story on page 269).

**Unemployment compensation**—H. R. 7177 (Mills) and H. R. 7178 (Simpson) are pending in the House Ways and Means Committee, which has concluded hearings.

**Wage-Hour**—S. 1046 (Kennedy) was approved, with amendments, by Senate Subcommittee on Labor July 10, and is presumably being redrafted for consideration by the Labor Committee. N.C.A. opposes changes in overtime exemptions.

**Wage-hour agricultural labor**—S. 1085 (McNamara), to extend coverage, was the subject of hearings by a special Senate Subcommittee on Migratory Labor on Aug. 7 and 26.

**Wage-hour child labor**—S. 2141 (McNamara), to eliminate the exemption, was the subject of hearings by a special Senate Subcommittee on Migratory Labor on Aug. 7 and 26.

**Waste disposal facilities**—H. R. 322 (Byrnes) is pending in House Ways and Means Committee.

#### FISHERIES LEGISLATION

**Construction differential subsidy**—H. R. 5421, with amendments, passed the House on Aug. 26. The revised Senate construction differential subsidy bill, S. 2578, is now on the Senate Calendar.

**Fisheries Assistance Act (loans)**—Bills are pending in Senate Commerce Committee and House MM&F Committee.

**Fishermen's Protective Act**—S. 971 is pending in Senate Commerce Committee.

**Mortgage and loan insurance**—S. 2342 is pending in the Senate Fisheries Subcommittee. Similar bills are pending in House MM&F Committee.

**Polluted shellfish**—H. R. 1244 (Colmer) is pending in House Ways and Means Committee and S. 2112 (Jackson and others) is pending in Senate Finance Committee.

**Salmon conservation**—S. 502 was the subject of hearings by the Senate Fisheries Subcommittee in April and May. H. R. 4293 was the subject of a hearing by the House Fisheries Subcommittee in May.

**Salmon predator**—S. 1264 was passed by the Senate, with amendment, July 6 and is pending in House Fisheries Committee.

**Tuna quotas**—H. R. 443, H. R. 447, and H. R. 673 are pending in House Ways and Means Committee.

#### Struvite Circular Issued

N.C.A. has issued a leaflet, *Crystals in Canned Sea Food and Fish* (Circular 18-L, revised), prepared by the Washington Laboratory. It supersedes previous bulletins on "struvite," a substance which at first glance resembles glass, and accordingly creates a constant Claims Division problem. Struvite particles, a crystallization of natural constituents of fish or shellfish, are harmless.

Copies for member firms are inserted in this issue of the INFORMATION LETTER. Additional copies are available on request to the N.C.A. Claims or Fishery Products Divisions.

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